ORDINANCE	20-050
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AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF KILLEEN, TEXAS READOPTING AND AMENDING THE NORTH KILLEEN REVITALIZATION PROGRAM; PROVIDING FOR THE REPEAL OF CONFLICTING PROVISIONS; PROVIDING FOR A SEVERABILITY CLAUSE; PROVIDING FOR PUBLICATION AND AN EFFECTIVE DATE.

WHEREAS, the City Council passed and adopted an ordinance establishing a North Killeen Revitalization Program on September 22, 2015; and

WHEREAS, the existing North Killeen Revitalization Program expires five (5) years after its adoption; and

WHEREAS, the City Council hereby finds the North Killeen Revitalization Program to be necessary to promote the general health, safety, and welfare of the community; and

WHEREAS, the City Council hereby finds that waiving certain fees and refunding payments on certain liens in North Killeen satisfies the public purpose of increasing taxable development; and

WHEREAS, the City Council desires to readopt the North Killeen Revitalization Program in perpetuity; and

WHEREAS, the City Council further desires to amend the existing program to limit eligibility and provide for refunds on payments of certain liens;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF KILLEEN:

SECTION I. That the City of Killeen hereby readopts the North Killeen Revitalization Program with the following amendments:

NORTH KILLEEN REVITALIZATION PROGRAM

I. GENERAL PURPOSE

The purpose is to promote the development and redevelopment of North Killeen as depicted in Figure 1.1. This program includes incentives for residential and commercial/business structures' rehabilitation, expansion and/or new construction. The structure for which the improvement is proposed must be brought up to current building codes allowing for non-conforming lots as described in section IV (a). By adopting this program the City intends to provide incentives by waiving certain fees and providing for the refund of payments on certain liens, for a period of five (5) years beginning on the date of City Council adoption of this program.

II. <u>DEFINITIONS</u>

"Eligible Rehabilitation " includes physical improvements to real property to include structural, roof, foundation rehabilitation, exterior and interior improvements to bring up to code or exceed minimum requirements such as electrical, plumbing and HVAC improvements. Eligible rehabilitation does NOT include personal property (such as furniture, appliances, equipment, and/or supplies).

"New Construction" is a newly constructed structure for residence or conduct of business requiring a permanent foundation. This excludes accessory structures such as sheds and incidental out buildings.

III. <u>FEE WAIVERS</u>

A. ELIGIBLE RECIPIENTS/PROPERTIES

- 1. In order for a property owner/developer to be eligible to apply for fee waivers, the property owner/developer:
 - a. Must submit an application to the City;
 - b. Must not be delinquent in paying property taxes for any property owned by the owner/developer or applicant;
 - c. Must not have any active code enforcement violations:
 - d. Must not be in arrears on any City account; and
 - eg. Must not have any City liens filed against any property owned by the applicant property owner/developer, or must have initiated a payment program with the City of Killeen to include a 25% down payment against liens owed and payment schedule setliens must be paid in full prior to submitting application in accordance with subsection IV.
- 2. Approval of the application and waiver of the fees shall not be deemed to be approval of any aspect of the project. All projects are subject to and must comply with all applicable local, State and Federal laws. Before construction, the applicant must ensure that the project is located in the correct zoning district.

B. DEVELOPMENT FEES

- 1. Once the application for incentives has been approved by the City, the following fees for services performed by the City of Killeen shall be waived for new construction or rehabilitation projects that expend a minimum of \$2,000:
 - a. All building permit related fees (including plans review and inspections);
 - b. Plat application fee (including preliminary plat, final plat, minor

- plat and replat);
- c. Board of Adjustment application fee;
- d. Demolition permit fee;
- e. Zoning application fee for properties seeking a zoning change to fit current property use; and
- f. Sign permit fees.
- 2. If a permit or application listed in <u>B subsection</u> (1), above is expired, the fee to reactivate, renew or reapply shall not be waived. In addition, penalties and extension fees or re-permitting fees will not be waived.
- 3. Other development related fees not specified above may be considered for approval by the City Manager or his designee.

IV. LIENS

- A. Outstanding liens shall be paid to the City by way of cashier's check or money order prior to submitting an application for the North Killeen Revitalization Program. Liens will be released up on full payment including fees, interest, and civil penalties. Upon completion of the project, payments on such liens shall be refunded to the applicant in accordance with subsection (B) below.
- B. Payments on the following liens, to include fees, interest, and civil penalties, shall be refunded in conjunction with an eligible new construction or rehabilitation project, in an amount not to exceed the total valuation of the eligible new construction or rehabilitation project:
 - 1. One hundred (100) percent of all payments on liens incurred for the abatement of nuisances, as described in Killeen Code of Ordinances, Chapter 18; and
 - 2. Fifty (50) percent of all payments on liens incurred for the demolition of an unsafe structure in accordance with Killeen Code of Ordinances. Chapter 8, Article V.
- C. The City shall not refund any payment on a lien or forgive any lien on a property owned by the person whose actions resulted in the lien being placed on the property. The City shall not refund any payment on a lien or forgive any lien on a property owned by an immediate family member or firm, corporation, partnership, or business entity of a person whose actions resulted in the lien being placed on the property. For purposes of this section, the term "immediate family member" shall mean spouse, child, parent, niece, nephew, aunt, uncle, grandparent, grandchild, or anyone having one of these relationships by law.

IV. DEVELOPMENT STANDARDS

A. NON-CONFORMING LOTS/STRUCTURES

- 1. The minimum lot size for non-conforming properties located within the North Killeen Revitalization Area shall be 3600 square feet and will not be required to obtain approval from the Zoning Board of Adjustments.
- 2. The minimum building setbacks shall be 5 feet on each side, 10 feet on the rear and 20 feet on the front of each lot.
- 3. The 50% rule for reconstructing non-conforming structures/uses will be waived for properties located within this area.

VI. PROCEDURAL STEPS

A. APPLICATION SUBMISSION

- 1. The applicant must complete and submit a City of Killeen "Application for Incentives" to the City Manager, or his designee.
- 2. The Planning and Economic Development Department will review the application for accuracy and completeness. A complete application must include proof that:
 - a. The project is located the North Killeen Revitalization Area; and
 - b. The project is in compliance with the adopted North Killeen Revitalization Program.
- 3. Once the Planning and Economic Development Department determines that the application is complete and that the applicant is eligible to receive incentives, the application will be forwarded to the City Manager or his designee for approval.

B. INELIGIBLE PROJECTS

- 1. The following projects shall not be eligible for any incentives under the City of Killeen's North Killeen Revitalization Program:
 - a. Sexually oriented businesses;
 - b. Non-residential mobile structures: and
 - c. Manufactured housing.

C. DENIED APPLICATIONS

1. Applications will be deemed denied 30 calendar days after submission if all required documentation is not received by the City.

SECTION III. That all ordinances or resolutions or parts of ordinances or resolutions in conflict with the provisions of this ordinance are hereby repealed to the extent of such conflict.

SECTION IV. That should any section or part of any section or paragraph of this ordinance be declared invalid or unconstitutional for any reason, it shall not invalidate or impair the validity, force or effect of any other section or sections or part of a section or paragraph of this ordinance.

SECTION V. That this ordinance shall be effective after its passage and publication according to law, and shall remain in effect in perpetuity, or until otherwise amended or repealed by City Council.

PASSED AND APPROVED at a regular meeting of the City Council of the City of Killeen, Texas, this 22nd day of September 2020, at which meeting a quorum was present, held in accordance with the provisions of V.T.C.A., Government Code, §551.001 et seq.

APPROVED:

Jose L. Segarra, MAYOR

ATTEST:

Lucy C. Aldrich, CITY SECRETARY

APPROVED AS TO FORM:

Traci S. Briggs, CIŤÝ ATTORNEY

Regular <u>09-22-20</u>
Item # <u>OR-20-027</u>

CITY COUNCIL MEMORANDUM FOR ORDINANCE

DATE: September 15, 2020

TO: Kent Cagle, City Manager

FROM: Wallis Meshier, CNU-A; Director of Planning

SUBJECT: Ordinance Readopting and Amending the North Killeen Revitalization

Program

BACKGROUND AND FINDINGS:

On September 22, 2015, the City Council approved and adopted an ordinance establishing the North Killeen Revitalization Program (NKRP) for a period of five (5) years. The purpose of the proposed ordinance is to reestablish the existing North Killeen Revitalization Program and make certain amendments to the program.

If approved, the proposed ordinance will serve to readopt the existing program with the following amendments:

- 1. The proposed ordinance provides refunds in the amount of one hundred (100) percent of payments on liens associated with the abatement of nuisances, and fifty (50) percent of payments on liens associated with the demolition of an unsafe structure, up to the total valuation of an eligible new construction or rehabilitation project.
- 2. The proposed ordinance revises the eligibility requirements to preclude properties and/or property owners that have active code enforcement violations, or that are in arrears on any City accounts.
- 3. The proposed ordinance will continue in full force and effect in perpetuity, or until otherwise amended or repealed by the City Council.

THE ALTERNATIVES CONSIDERED:

The City Council has three (3) alternatives. The City Council may:

- Not readopt the North Killeen Revitalization Program;
- Readopt the North Killeen Revitalization Program with amendments; or
- Readopt the North Killeen Revitalization Program with proposed amendments.

Which alternative is recommended?

Staff recommends that the City Council Readopt the North Killeen Revitalization Program with proposed amendments.

Why? The North Killeen Revitalization Program has been a successful program over the last five (5) years. Staff is of the determination that continuing the program in perpetuity will help to encourage investment in the North Killeen area. In addition, staff believes that the proposed amendments to the program will further incentivize development and redevelopment in the area.

CONFORMITY TO CITY POLICY:

The North Killeen Revitalization Program conforms to City policy.

FINANCIAL IMPACT:

What is the amount of the expenditure in the current fiscal year? For future years?

The fiscal impact will be foregoing collection of building permit fees and refunding payments on certain liens in the NKRP area. The fiscal impact will be mitigated through the taxable development incentivized through this program.

Is this a one-time or recurring expenditure?

The North Killeen Revitalization Program does not involve the expenditure of City funds other than the refund of payments received to satisfy certain liens.

Is this expenditure budgeted?

This is not applicable.

If not, where will the money come from?

This is not applicable.

Is there a sufficient amount in the budgeted line-item for this expenditure?

This is not applicable.

RECOMMENDATION:

Staff recommends that City Council find that waiving certain fees and refunding payments on certain liens in North Killeen as proposed satisfies the public purpose of increasing taxable development in the area, and that City Council readopt the North Killeen Revitalization Program with the proposed amendments in perpetuity.

DEPARTMENTAL CLEARANCES:

This item has been reviewed by the Planning, Legal, and Finance Departments.